

State of California

**Memorandum**

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<b>DATE</b>	JUN 23 2005
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To: Commissioner John Geesman,  
Presiding Member  
California Energy Commission Dockets Unit  
Attention Docket No. 04-IEP-1G  
1516 Ninth Street MS-4  
Sacramento, CA 95814-5512

Date: June 23, 2005

From: **DONALD B. KOCH, REGIONAL MANAGER** *for*  
Northern California-North Coast Region  
Department of Fish and Game  
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Subject: The California Energy Commission's 2005 Environmental Performance Report and  
Hydroelectric Projects Within California

The California Department of Fish and Game (DFG) has received a copy of the 2005 Environmental Performance Report of Electric Generation System (Report) prepared by the California Energy Commission (CEC) staff in support of the 2005 Integrated Energy Policy Report Proceeding. In response to the Report, we want to express our appreciation of the expertise and support provided by the CEC to the DFG, particularly in the evaluation of hydroelectric facilities.

As a trustee agency and an agency with special expertise with regard to the State of California's fish and wildlife resources, DFG places great emphasis on the need to actively participate in developing balanced license conditions for hydroelectric projects within the State. The environmental impacts of hydroelectric projects can be dramatic, especially within watersheds that have anadromous fish resources. Currently, there are 22 hydroelectric facilities in California undergoing relicensing with the Federal Energy Regulatory Commission (FERC). The new FERC licenses received by these projects will last for 30 to 50 years into the future, representing a tremendous long-term commitment of the State's resources. Developing balanced license conditions for these projects is a complex process requiring the integration of a wide variety of biological, hydrological, and economic data.

Coordination with our fellow State resource agencies is essential for crafting future license conditions that are both effective at mitigating the environmental impacts of hydroelectric projects and reasonable from an energy-economics perspective. The energy analyses provided by CEC staff in the recent past on projects such as the Klamath River

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(FERC No. 2082), Kilarc-Cow (FERC No. 606), and Battle Creek (FERC No. 1121) have been invaluable for developing defensible and responsible license conditions. When these projects were first licensed they diverted the vast majority of instream flows to project facilities with significant impacts to native aquatic ecosystems. To readdress these impacts in a balanced manner, DFG has relied on the expertise of the CEC staff to assess both local and systemwide impacts from energy losses associated with redirecting flows to instream resources. The Report exemplifies the valuable energy context provided by the CEC to facilitate critical evaluations of hydroelectric projects by all stakeholders.

If you have any questions regarding our support of the CEC staff work in the arena of hydroelectric projects, please contact Staff Environmental Specialist Annie Manji at (530) 225-3846.

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